Plan to boost power rates called unfair

By Ed White Associated Press 28 October 2006

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There is no doubt that **Utah** residents will be paying more for electricity. The question: How will the rate increase be divvied up?

On a percentage basis, customers using the least electricity would pay more under a proposal by Rocky Mountain Power. Critics on limited incomes told state regulators to reject the plan.

"The average citizen is being nickled-and-dimed to death. We need help," said Barbara Toomer of West Valley City, speaking from a wheelchair for a group called Disabled Rights Action Committee.

Rocky Mountain Power and the Utah Committee of Consumer Services, a watchdog group that represents low-income residents, retirees and small businesses, agreed last summer to a 10 percent increase, or \$115 million a year.

But they disagree over how the higher bills should be apportioned.

The Utah Public Service Commission, which will ultimately decide the rate case, heard testimony Friday.

A key gripe: Rocky Mountain Power wants to raise a monthly fixed customer charge to \$3.40 from 98 cents for everyone.

When that's coupled with an increase in electricity rates, consumers using 100 kilowatt hours per month would pay \$11.11, a 35 percent increase, according to an analysis by the Committee of Consumer Services.

"That customer charge has been 98 cents for more than 20 years," Rocky Mountain Power spokesman David Eskelsen said. "Fixed costs, which the company doesn't have control over, should be applied to all residential customers."

Customers using 1,000 kilowatts per month would see a 9 percent increase, while people plugged into 2,000 kilowatts or more would have smaller raises, under the utility's proposal.

A typical residential customer averages 750 kilowatts per month, Eskelsen said.

Assistant Attorney General Paul Proctor, who represents the Committee of Consumer Services in the rate case, said air conditioning in large homes is creating a "tremendous" appetite for power.

"You have to have a house with central air in order to sell it," Proctor said in an interview. "The committee's position is the people who are driving the demand ought to pay a larger portion of the increase."

The group is proposing that the monthly 98-cent customer charge remain the same. It recommends rate hikes for all, but people using 600 kilowatts or less a month during summer would see a smaller increase than others.

Rocky Mountain Power, formerly known as Utah Power, is part of PacifiCorp, based in Portland, Ore.